

City of Springfield  
Work Session Meeting

MINUTES OF THE WORK SESSION MEETING OF  
THE SPRINGFIELD CITY COUNCIL HELD  
MONDAY, MARCH 22, 2004.

The City of Springfield council met in a work session in the Jesse Maine Room, 225 Fifth Street, Springfield, Oregon, on Monday, March 22, 2004 at 5:30 p.m., with Councilor President Fitch presiding.

ATTENDANCE

Present were Councilors Lundberg, Fitch, Ballew, Ralston, and Woodrow. Also present were City Manager Mike Kelly, Assistant City Manager Cynthia Pappas, City Attorney Meg Kieran, City Attorney Trisha Hill, City Recorder Amy Sowa and members of the staff.

Mayor Leiken was absent (excused).

Councilor Fitch introduced Debi Baker and Debbie Davis, candidates for the Ward 6 councilor position who were present in the audience.

1. Matricula Consular.

Human Resources Training Assistant Rita Wallace-Ostrowsky presented the staff report on this item. The Mexican Consulate in Portland has officially requested Oregon municipalities to accept the Matricula Consular as valid proof of identification for Mexican nationals. The Matricula Consular is an official identification issued by the Mexican government to its citizens living abroad. The Matricula is accepted as a form of identification by 14 states, 100 plus cities and over 900 police departments throughout the United States. Included among them are Hillsboro and Beaverton.

According to the Office of the City Attorney, passing a resolution recognizing the Matricula Consular, “. . . does not find the document determinative of anything, but merely authorizes the City Manager to work with departments to use where appropriate. It also represents a positive response to the Mexican Consulate.”

Ms. Wallace-Ostrowsky said a committee was formed with representation from the police department, the city attorney, the library and human resources. This committee reviewed this issue and made a recommendation that the Matricula be accepted as a form of identification. The City Manager would work with the different city departments to ascertain under which circumstances the Matricula would be appropriate. Ms. Wallace has contacted police departments in other cities who have used this as a form of identification. She also spoke with Carmen Urbina from the Centro Latino Americano, a gentleman from the City of Woodburn and a captain from the Hillsboro police department about their experience with the Matricula. Primarily, these contacts reiterated that this document would be nothing more than a form of identification, usually in conjunction with other documents. A benefit is the next of kin stipulation

for those who apply for the Matricula, which is helpful regarding law enforcement and health situations.

Councilor Woodrow acknowledged Police Chief Smith and thanked him for his leadership. While Chief Smith was out on medical leave, the captains did an excellent job. That shows not only that they were prepared, but that they were prepared because of what Chief Smith had taught them.

Councilor Woodrow asked how this differed from a green card. He asked if it would provide the police with any tools.

City Attorney Meg Kieran introduced Trisha Hill, an associate from the City Attorney's office.

Chief Smith said that anything with a name on it is of help, although they understand it may not be a correct name. He said citizens do not have to identify themselves to police in cases other than traffic violations. The Matricula has a positive impact on the police to have something with the name to give them a place to start.

Councilor Woodrow asked if because these are issued to Mexican citizens that are here on visa or something else, would it cause the police to ask for a green card or a visa.

Chief Smith said under state law, police are prohibited from making that inquiry or any inquiry about immigration issues.

Ms. Hill said the purpose of this document is to provide identification for undocumented aliens. If they are undocumented this would be a piece of identification to assist in identifying who they are. Immigration enforcement is not an issue for our police department.

Councilor Ralston said there is no guarantee this card would be given to the right person. It is easily forged and he doesn't know if it is very useful. If someone is here legally, they would have a passport and a green card and would not have a need for this document. He feels this is a way to facilitate legalizing illegal aliens. He is not supportive of doing that.

Ms. Hill said this document is a Mexican Government identification document. Both legal and illegal aliens could have this document. For those who are here legally, they are more likely to have other documentation such as a driver's license to serve as their primary form of identification.

Councilor Ralston said having this card, facilitates their ability to gain a driver's license. They could be misrepresenting themselves. If they are here legally they would have proper identification. He discussed the issues regarding using this card for gaining a driver's license and getting registered to vote.

Ms. Wallace said the Department of Motor Vehicles (DMV) requires more than the Matricula Consular as a form of identification to issue a driver's license. This is a means for us to identify someone regardless of their status of legal or illegal alien. The police department finds it helpful when they try to identify someone.

Councilor Ralston discussed the ease of forging this and other documents.

Councilor Ballew said this is not anything giving rights. It is a way for Mexican citizens to identify themselves in our community and enables them to use banking services and do business in the community. It is the federal government's job to enforce immigration issues.

Councilor Lundberg said according to the memorandum included in the agenda packet, a person would have to provide another form of identification to receive this document.

Ms. Wallace said that is correct. To obtain a Matricula Consular, the person needs to go in person to the Portland office or another authorized office. They have to apply in person, fill out the form and show an official document that verifies their identification. They need proof of identification and proof of residency. Another type of card is now being issued that is more secure. She said staff from the Mexican Consul are willing to come and demonstrate how the card is used and the security features associated with the card. Having the card allows the person to transact business and perform banking.

Councilor Ballew said this card states they are a citizen of Mexico.

Ms. Wallace said the staff at the local DMV office are rigorous about their process and requirements for providing driver's licenses.

Councilor Lundberg said she does not have a problem of using this as one form of identification. There are people trying to do business here and do not have other identification.

Councilor Fitch said she is excited about this with our increase in the Latino population. She discussed the programs the Library has implemented to assist the Latino community. This identification could assist them in gaining a Library card and opening a bank account. If you can have people putting their money in the bank, that is a better option. The card would not be used for everything, but the idea is to put it back in the City Manager's hands to determine when and how it could be used.

Mr. Kelly said consensus is needed regarding this issue.

Councilor Woodrow said he is not sure. He agreed with all that was said tonight. It is a good thing if it helps police identify people and getting them in the system. He discussed issues surrounding legal aliens and illegal aliens.

Council gave approval for staff to move forward with this and bring it back in the form of a resolution at the April 5 Council Regular Meeting.

2. Advance Knowledge About Urban Renewal Districts and Efforts in Redevelopment of Downtown and Glenwood.

Development Services Director Bill Grile and Economic Development Manager John Tamulonis presented the staff report on this item. Mr. Grile said during the Council's Goal Setting Session in the Fall of 2003, the council established several goals. One of those goals was to complete nodal work in the Mohawk area. Two other goals were the redevelopment of Glenwood and Downtown. In that context, urban renewal is a tool to assist council to accomplish those goals. Staff was directed to come back to council and provide additional information about how urban renewal works, and the opportunities urban renewal presents to redevelop property.

Mr. Grile said staff would present other communities that have used urban renewal successfully. There are forty-seven or forty-eight active urban renewal programs in the state of Oregon. Many communities are finding that urban renewal is the most important tool they have to accomplish the redevelopment goals that have been set. Mr. Grile introduced Don Burt, who recently retired as the long-time director of the Medford Urban Renewal Agency (MURA), one of the more successful urban renewal programs in the state.

Councilor Fitch noted that there were several members of the Springfield Chamber of Commerce in the audience who were also interested in this topic.

Mr. Tamulonis presented a power point presentation regarding Opportunities for Downtown and Glenwood. He discussed why this was being considered at this time. He discussed the goals council set for downtown and the Glenwood area. He highlighted the Lane Transit District (LTD) station, the Mill Race, the possibility of a civic center, the Emerald Arts Center and the Wildish Theater. He discussed other opportunities that have been considered for these areas. Other goals included short term clean-up efforts, adoption of a revised downtown plan, making the image of downtown more upscale through redevelopment and making downtown more pedestrian friendly. He described some of the past efforts to revitalize the downtown area. He said many of these efforts were funded through grants and other funding. There are still opportunities for the downtown area. He discussed crime in the downtown area and some of the buildings that are in ill-repair.

Mr. Tamulonis discussed the goals for Glenwood and the Glenwood Riverfront plan which city planner Susanna Julber has been working on. This plan includes mixed-use developments and redevelopments. It is important to have sites ready for development and redevelopment. There are issues related to Glenwood such as infrastructure, sewers and multiple owners. He said staff sent out Requests for Interest (RFI) to developers, but did not get any replies. Those that were interested in the beginning asked what type of urban renewal and/ or incentives were available. He discussed some businesses in this area are interested in expanding.

Mr. Tamulonis discussed bringing Franklin Boulevard up to standards and the lack of right-of-way. He discussed issues with storm drainage and access. He referred to a report from The Association of Oregon Redevelopment Agencies (AORA) included in the agenda packet. This report is a case study of Urban Renewal Programs in Oregon. They have done a number of case studies throughout Oregon. He discussed the City of Eugene and their proposal for Urban Renewal. This is also included in the agenda packet. Mr. Tamulonis referred to charts included in this proposal which outlined property tax growth with or without an Urban Renewal District. He

explained how the payments would go towards the Urban Renewal District and then to the city once the Urban Renewal District's term ended.

Councilor Ralston asked if twenty years was the usual length of time for an Urban Renewal District.

Mr. Tamulonis said that is what was proposed by Eugene, but he has seen reports from twelve to forty years. One criticism of Urban Renewal Districts in some areas is that they go on too long.

Councilor Ralston asked about free downtown parking in Springfield.

Discussion was held regarding parking in downtown and if it is a problem for those working downtown.

Mr. Kelly said urban renewal was first proposed fifty or sixty years ago and was used to redevelop most of downtown at that time. In the last 50 years, urban renewal has not been used to make improvements. Modern examples of urban renewal are those who have established districts, and used the incremental tax to repay the district for investments, usually infrastructure investments. One of the reasons Springfield has not used incremental taxing is because we have a charter prohibition that most other communities do not. This is a product of the relationship issue between the city and the school district back in the 1950's. The school district proposed and passed a charter amendment that stated the city could not use urban renewal without a vote of the people because they were concerned about the loss of revenue to the schools at that time. Over the last twenty years, the city has tried three times to bring urban renewal proposals to the citizens. Each time it was voted down. That is why the city has not used urban renewal. The city has done well with incremental improvements in spite of not having this major economic tool, but urban renewal would allow a more focused program for development. With marginal property left for development and the value of some of the riverfront property in Glenwood, staff feels now is the time to use this tool. Staff is not asking council to direct staff to do it, but to keep on the path and bring back more specifics. At a future date, council may want to create a district.

Councilor Ralston asked when the citizens last voted on an Urban Renewal District.

Mr. Tamulonis said it was last voted on in 1989.

Councilor Ralston asked why it was voted down.

Mr. Kelly said there were opponents who felt that some of the developments of the time, such as Gateway and Booth Kelly, would happen anyway. At that time, which was prior to Ballot Measures 47 and 50, when new development would come into the city, the tax load was shared by all citizens and the tax base went down. The more development that came in, the more the taxes were lowered for everyone. Opponents felt an Urban Renewal District would deprive citizens of lowering the tax base by freezing the tax base. Things have changed since the passage of Ballot Measures 47 and 50.

Councilor Ralston asked if citizens would still be required to pay more taxes.

Mr. Tamulonis said only those located within the district would pay the increase in taxes according to the value of their property.

Discussion was held regarding Ballot Measure 50 and how it changed the tax rate.

Councilor Woodrow discussed an example of setting up the downtown area as an Urban Renewal District and whether or not those within that district would pay an increase in taxes based on the increase of the property.

Mr. Grile said they would pay taxes based on the value of the property. As an Urban Renewal District property, the base value would be kept the same and any taxes over the base value would go into the district. That money would be used to implement the plan the agency would create.

Mr. Kelly said the value of the property would be frozen at the time the district was created and would remain at that rate through the life of the program. The property owner would pay taxes on the assessed value and the extra money would go to the urban renewal agency for infrastructure, improvement, removing blight, etc. At the end of the district's term, when the entire infrastructure had been built, the new value of the property would come back on the tax role. The property would not be paying more, but the distribution of their taxes would be different. Instead of part of it going to the Urban Renewal District, the entire tax would go to the taxing agencies.

Councilor Woodrow asked where that new revenue would come from.

Mr. Grile said it would come from the assessed value. Referring to the opponents' comment that these things would be happening anyway, he discussed the years spent on the downtown area. He asked if downtown was going to redevelop on its own more rapidly than the incremental things that have been happening without urban renewal.

Councilor Fitch discussed the Sony/Gateway area.

Councilor Fitch said the City Charter was amended in 1997. She asked if the amendment changed the language regarding Urban Renewal requiring a vote.

Mr. Kelly said it did alter the language slightly, but a vote of the people is still required.

Councilor Woodrow said a property owner within the district would most likely see an increase in the value of their property due to the improvements made.

Councilor Ballew asked what the county, Willamalane and Springfield School District opinions would be regarding an Urban Renewal District. She asked if we knew how much of the three percent increase those agencies might be foregoing if a district were in place.

Mr. Tamulonis said staff could calculate that figure for council. He has spoken with two county commissioners who are interested in this because of the challenges in the Glenwood area, especially in regards to the sewer system. Staff has looked at how it might work with the county

because many properties are still not annexed into the city. The county tax assessor does not have an issue with this because these areas are not increasing by three percent at this time. There would not be much regarding taxes that would be given up.

Councilor Fitch asked if two overlay districts would need to be put in place because part of Glenwood is Springfield and part of it is county.

Mr. Grile discussed a city/county urban renewal partnership between the city and county, similar to one formed in Coos County. A structure could be formed including some Lane County Commissioners, some City Councilors, citizens from Glenwood and a citizen at-large. A policy board could be formed.

Councilor Fitch asked if the city would forego tax on the property on properties that later annexed to the city.

Mr. Tamulonis said that would be determined by state law.

Councilor Woodrow asked who would vote on the creation of an Urban Renewal District.

Mr. Grile said the election would be on the City Charter, but the establishment of the Urban Renewal District would be adopted by council ordinance subject to referendum.

Councilor Woodrow asked if the whole county would vote on this if we had an agreement with the county.

Mr. Grile said the county would not have to vote on this, but would adopt an ordinance, which would be subject to referendum.

Mr. Kelly confirmed that the city is the only jurisdiction with the requirement to vote on this within their charter. The county does not have to vote on this issue.

Mr. Burt discussed how urban renewal could be used as a tool, using the projects that have been completed in Medford as examples. He stressed that urban renewal is only the tool; the city needs to know what it wants to accomplish. He said many people feel downtown areas can work by themselves. He discussed return on investment and the challenges with this type of redevelopment. He discussed infrastructure. Urban renewal is about recreating a place and increasing its value. Mr. Burt gave a power point presentation showing many of the areas in Medford that were developed or redeveloped with the assistance of the Medford Urban Renewal Agency (MURA).

Mr. Burt said the first urban renewal was created in 1988 without a vote. The city council chose to have a separate Urban Renewal Board distinct from the council. He said there are advantages and disadvantages to having a separate board. He discussed the importance of having partnerships with other agencies. Partnering can be difficult because of different expectations of each partner. Urban renewal is managing those expectations. He discussed the history of Medford's downtown and how that was incorporated into the renewal. Urban renewal has not

been a lead, but a support for these changes. MURA has been able to offer loan programs and other programs to assist these redevelopments. Every five years projects are re-evaluated.

Mr. Burt discussed staying focused geographically so results could be seen. When improvements are made incrementally and in different locations, the public does not see those improvements as much as when it is one large project. Their process has been simple and straightforward. He discussed issues regarding local developers and wanting to keep businesses in the downtown. It is important to know the market and to understand what the downtown can and cannot do. Criterion was set for businesses to locate in downtown. He showed examples of streetscapes. It is important to understand the needs of property owners. He discussed the parking garages and the charges for parking. When something is built, it needs to have funding to maintain it. The Façade Program came about with the Historic District.

Councilor Ballew asked if most businesses downtown are locally owned.

Mr. Burt said most businesses downtown are locally owned. He discussed the importance of having businesses downtown who want to be downtown. Many of the projects have been done in stages. It is important to be flexible and allow property owners to make these improvements in stages for financial reasons. He discussed the grants issued through the MURA, the Seismic Loan Program and Gap Loans.

Councilor Ballew asked if they have had any missed payments on the loan programs.

Mr. Burt said there have been no defaults or missed payments at this time. MURA evaluates applicants thoroughly on their ability to rent at a market rate. MURA has been issuing loans for three years.

Mr. Burt explained that frozen value is a term that is no longer used because it sends out the wrong message. When an Urban Renewal District is formed, the value of the property is determined that year and the base value is set. From that base value, the value of the property grows or decreases. If the value grows, the incremental value is what grows above the base value. The tax increment value is based on that value.

Councilor Fitch asked if the tax base dropped when Rogue Community College located downtown because they do not pay taxes.

Mr. Burt said the tax base did drop, but although they are not getting tax revenue on some of these public properties, the mission is being achieved. These improvements and developments are bringing people to the downtown area.

Councilor Ballew asked what Mr. Burt would recommend as the first focus.

Mr. Burt said it depends on the community and the partnerships involved. The Urban Renewal District needs to have a pallet of projects to start. The challenge is to choose the projects. The process needs to be flexible and allow for the opportunities. He said the City of Medford grows about six percent a year and the Urban Renewal District grows about six percent a year.

Councilor Ralston asked about financing for one of the larger projects.

Mr. Burt explained the situation of that project and how they located a developer that was interested in this project. MURA created a program that was put out to developers interested in a shopping facility. Conditions included the developer doing the environmental work. He discussed other projects and the money coming from private funding or urban renewal.

Councilor Woodrow asked how long of a term they had for the downtown district.

Mr. Burt said it was initially twenty years, expiring in 2008. It would continue financing through 2013 per an amendment in 1988.

Councilor Woodrow asked if they had reached their goals.

Mr. Burt said as far as valuation, they have exceeded their goal. The base value was approximately \$125,000 and is now at \$250,000. There are still some projects that are not finished. Most Urban Renewal Districts struggle for the first five to ten years, and then the incremental values begin to grow.

Councilor Ballew asked what developers want from the Urban Renewal District and how are they financed.

Mr. Burt said the district typically helps to finance the projects that are compatible with the project in the urban renewal plan, usually infrastructure. Additional funding is attained by the developer through the bank or other sources. A requirement of MURA is that the developer demonstrates to the board that the financing is in place. He said a valuation would be placed on the infrastructure.

Councilor Fitch said this discussion has gone later than anticipated and asked Mr. Burt if he was willing to take additional questions or discussion. Mr. Burt agreed to stay for additional questions. Councilor Fitch said tonight Mr. Kelly is looking to council to see if there is interest in staff bringing back more detailed information on what would be done in both the downtown area and Glenwood.

Mr. Kelly said staff can bring back more detailed information about what could be done in both the downtown and Glenwood, such as timing, costs to hire a consultant, report and project lists. The information staff would bring back to council would allow them to make more informed decisions on this topic.

Councilor Ballew said Glenwood would be a good urban renewal area, but we may not be ready for it yet. Downtown may be the first place to start. She would like to see the vision for downtown and some identifying problems of Glenwood.

Councilor Fitch said if we don't go the next step to evaluate an Urban Renewal District in Glenwood, and sewers are put in place, development may occur that is outside of the city's vision.

Discussion was held regarding Glenwood.

Councilor Lundberg said she is in favor of going forward. She is not sure the public is ready to embrace this yet because it is a complex issue. She ties downtown and Glenwood together and would like to include both in the upcoming discussions.

Councilor Woodrow thanked Dan Egan, Sue Slaughter-Nichols and Paul \_\_\_\_\_ from the Springfield Chamber of Commerce for attending tonight's meeting. It is beneficial for the private sector to hear about this and learn how it can work. He agreed with Councilor Lundberg that downtown and Glenwood should be tied in together. With the temporary bridges coming in and the sewers going in, urban renewal could be a catalyst to help get the off-ramps to Glenwood when the new bridges are built. He would like to see additional information about both downtown and Glenwood.

Councilor Ralston said Glenwood would require more private sector funding and downtown more community funding. The installation of the sewer in Glenwood would be a catalyst for promoting future development. He would like information on both downtown and Glenwood, either separately or together.

Councilor Fitch said this could be a time for the first partnership with the Springfield Chamber of Commerce. This would be an opportunity to educate the Chamber members.

Mr. Kelly said staff could come back to council in a couple of months. He discussed a conference he attended in Newport which included the topic of urban renewal. Those attending the conference took a tour of two Urban Renewal Districts in Newport. He said \$89M had been spent on urban renewal projects over the past 20 years. Mr. Kelly asked Newport's City Manager for suggestions regarding Springfield's situation. Newport's City Manager said tax increments implement the vision as a major tool. It is important for council to have the vision of what they want to happen in downtown and Glenwood and sell that vision to the community. People would vote for the vision, rather than the mechanics of urban renewal. Staff would like to come back to council to talk about the type of things that could be accomplished in downtown and Glenwood through urban renewal.

Council approved staff bringing back more information on urban renewal.

Mr. Tamulonis and Councilor Fitch thanked Mr. Burt for his presentation.

#### ADJOURNMENT

The meeting was adjourned at 7:12 pm.

Minutes Recorder – Amy Sowa

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Sidney W. Leiken

Mayor

Attest:

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Amy Sowa  
City Recorder